

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

April 1, 1999

LB 277

remedy this by clarifying the law concerning future advances under deeds of trust. Lenders need to know that if, in fact, they make a future advance, under an existing instrument, they have not jeopardized their security and their position. A trustor or borrower may wish to limit the amount of optional future advances that are secured by a particular trust deed. And, if he or she is seeking other financing, there is a provision whereby they can provide notice...file notice in the office of the Register of Deeds of each county in which the trust property is located, and give notice that no future advances are permissible under the instrument. I would urge the advancement of LB 277.

SPEAKER KRISTENSEN: Senator Brashear, you're recognized to open on the committee amendments. (See Standing Committee amendment, AM0514 on page 779 of the Legislative Journal.)

SENATOR BRASHEAR: Mr. Speaker, members of the body, the amendment addresses concerns of the Nebraska mortgage industry. The amendment does three things. First, it defines future advances to protect the security; second, it gives greater assurance that the lender has notice by requiring notice by certified mail; and third, the amendment recognizes that the unique nature of construction project financing dictates that existing rules, under the Construction Lien Act, apply, notwithstanding the provisions of LB 277. I would urge the adoption of the committee amendment.

SPEAKER KRISTENSEN: Debate on the adoption of the committee amendments? Senator Brashear, you're recognized to close. He waives closing. The question before the body is the adoption of the committee amendments. All those in favor vote aye; all those opposed vote nay. Record. Record.

CLERK: 30 ayes, 0 nays, Mr. President, on the adoption of committee amendments.

SPEAKER KRISTENSEN: The committee amendments are adopted. Debate on advancement of the bill? Senator Brashear, you're recognized to close. He waives closing. The motion before the body is the advancement of LB 277 to E & R Initial. All those in favor vote aye; all those opposed vote nay. Record.